

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7400
ANSWERED ON:12.05.2000
SHARE OF PUBLIC SECTOR BANKS
UMMAREDDY VENKATESWARLU

Will the Minister of FINANCE be pleased to state:

- (a) whether some public sector banks have prepared a plan to offer IPO;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government to ensure orderly selling of shares by banking sector in order to avoid a glut of bank offering in the market?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH):

(a) to (c) According to available information, 6 public sector banks have initiated action to access the capital market in order to meet their increased capital needs, it might be inappropriate to disclose the names of the banks at this stage, since the size and timing, etc. of the public issue would be determined largely by external factors such as the condition of the stock market and its appetite for Initial Public Offerings (IPOs). The issue price, timing of the actual public issue, etc. to ensure the success of issue are decided by banks in consultation with their Lead Managers to the issue.